

Before the  
**Federal Communications Commission**  
Washington DC 20554

In the Matter of

Carrier Current Systems, Including Broadband  
over Power Line Systems

ET Docket No. 03-104

Amendment of Part 15 Regarding New  
Requirements and Measurement Guidelines for  
Access Broadband over Power Line Systems

ET Docket No. 04-37

**EX PARTE STATEMENT OF  
LEVEL 3 COMMUNICATIONS, INC.**

Pursuant to Section 1.1206(b)(1) of the Commission's Rules, Level 3 Communications, Inc.

(“Level 3”) files this written *ex parte* statement in the above-captioned proceeding.

**About Level 3**

Level 3 is an international communications and information services company headquartered in Broomfield, Colorado, operating one of the largest communications and Internet backbones in the world. Level 3 is one of the largest providers of wholesale dial-up service to ISPs in North America and the primary provider of Internet connectivity for millions of broadband subscribers through Level 3's existing broadband service partners. Nine out of ten of the world's largest telecom carriers use Level 3 services, as do five of the top six U.S. ISPs, and nine out of ten of the largest European telecom carriers. Level 3 offers a wide range of communications services – including managed Voice over Internet Protocol (VoIP) and other IP-enabled services, broadband transport, and collocation services – over an approximately 23,000-mile fiber optic network

## **Summary**

Level 3 strongly supports the Commission's initiative in proposing rules to facilitate the deployment of broadband over power line ("BPL") technology. BPL offers yet another outlet for IP-enabled services, in particular broadband Internet access and VoIP. As a wholesale provider of such services, Level 3 urges the Commission to facilitate the deployment of such broadband networks while imposing a minimum degree of regulation. These additional facilities-based last mile networks will bring the excitement of broadband services to many millions of Americans that today cannot readily attain or afford them, while at the same time precipitating the development of new and improved applications for broadband media.

## **Public Interest**

Few parties to this proceeding question the public interest in BPL. The only broadband delivery technologies available to most Americans – DSL and cable modem service – are limited in their geographic reach, chiefly serving the most densely populated regions. BPL, in contrast, can potentially bring broadband functionality anywhere that electric power lines go. In those areas where DSL or cable is also available BPL will offer improved value at competitive prices, thereby giving homes and businesses new competitive broadband options.

## **Minimum Regulation**

History provides ample and consistent evidence that communications services benefit the public most under minimum regulation. One recent example is the deregulation of customer premises equipment, which triggered an explosion of telephones, modems, answering machines, and hundreds more products. Another is the Commission's prescient decision in the 1980s and 1990s to refrain from regulating the then-infant Internet, whose subsequent expansion and penetration have astonished even its most optimistic proponents. Although regulation is sometimes warranted in a less competitive environment, where competition exists unneeded regulation tends only to perpetuate inefficiencies and impede innovation.

These are all reasons to minimize the regulation of both BPL as well as the IP-enabled services that will ride over BPL networks. The availability of a BPL platform will expand the reach of broadband and VoIP services to many more Americans. This expansion could dramatically reduce the cost of voice telephone service for millions of consumers and will bring service options and flexibilities that were once thought unattainable in a traditional circuit-switched telecommunications environment. Not surprisingly, industries with a vested interest in the *status quo* have requested regulations or procedures that would to hinder BPL deployment. But the Commission should resist efforts that would unnecessarily slow progress toward a more competitive environment in favor of a "wait-and-see" approach to technological advancement and economic stimulation.

Indeed, just as a deregulatory approach toward VoIP has enabled that technology in a short time to flourish from what was once an unmanaged, inferior quality voice product largely relegated to computer-to-computer phone calls, the Commission should enable BPL to develop into a fully

competitive, technologically advanced alternative to today's last mile delivery options. The Commission's aim with respect to BPL – and with respect to VoIP – should be first to identify the minimum needed regulatory goals, and then to give the industry the maximum flexibility to achieve those goals while retaining the benefits of innovation. For both BPL and VoIP, in the right regulatory environment, those benefits are likely to include lower costs and improved services for consumers nationwide.

### **Conclusion**

Level 3 urges the Commission to adopt rules authorizing BPL at the earliest possible date, and to impose the minimum regulation needed to limit interference to licensed services.

Respectfully submitted,

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**Director, Federal Regulatory Affairs**

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